

JAN 16 2001 12:40 PM

TROUTMAN SANDERS LLP

ATTORNEYS AT LAW
A LIMITED LIABILITY PARTNERSHIP

401 9th STREET, N.W.
SUITE 1000
WASHINGTON, D.C. 20004-2134
www.troutmansanders.com
TELEPHONE: 202-274-2950

David C. Reeves
david.reeves@troutmansanders.com

Direct Dial: 202-274-2932
Fax: 202-654-5624

January 16, 2001

VIA HAND DELIVERY

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Room 704
Washington, D.C. 20423

RE: Railcar File No. 19540-_____
Security Agreement Between Bank of America, N.A., Agent and Paducah & Louisville Railway, Inc.

Dear Secretary Williams:

I am enclosing herewith two originals and one certified true copy of a secondary document described below, to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code. A description of the equipment covered by the document follows hereafter.

Secondary Document: The secondary document filed herewith is:

Third Amendment to Memorandum of Security Agreement, effective January 12, 2001, between Bank of America, N.A., as Agent, 100 North Tryon Street, Charlotte, NC 28255 ("Secured Party") and Paducah & Louisville Railway, Inc., 1500 Kentucky Avenue, Paducah, KY 42003 ("Borrower"), adding the following 15 GP-35, GP-40 or GP-40-2 locomotives to the list of locomotives, railroad cars and railroad rolling stock to which the lien evidenced in this Recordation File attaches: ARR 3016; ARR 3017; ARR 3019; ARR 3020; ARR 2501; ARR 2502; MKCX 4302; MKCX 4303; CP 5008; CP 5023; MNA 6527; SOO 730; SP 4160; SP 6340; and SP 6576. Said document applies to all of Borrower's interests in locomotives, railroad cars and railroad rolling stock as of the date of the document or thereafter acquired by Borrower.

The primary document to which this is connected is recorded under Recordation No. 19540.

98

TROUTMAN SANDERS LLP
ATTORNEYS AT LAW
A LIMITED LIABILITY PARTNERSHIP

The Honorable Vernon A. Williams
January 16, 2001
Page 2

The names and addresses of the parties to the secondary document are as follows:

Borrower:

Paducah & Louisville Railway, Inc.
1500 Kentucky Avenue
Paducah, KY 42003

Secured Party:

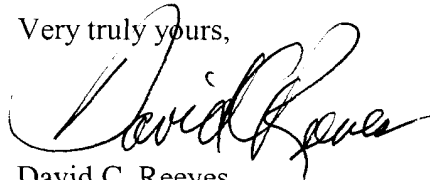
Bank of America, N.A., as Agent
100 North Tryon Street
Charlotte, NC 28255

Summary for the index: The secondary document is:

Third Amendment to Memorandum of Security Agreement adding the following 15 GP-35, GP-40 and GP 40-2 locomotives to the list of property to which the lien evidenced in this Recordation File applies: ARR 3016; ARR 3017; ARR 3019; ARR 3020; ARR 2501; ARR 2502; MKCX 4302; MKCX 4303; CP 5008; CP 5023; MNA 6527; SOO 730; SP 4160; SP 6340; and SP 6576. Said document applies to all of Borrower's interests in locomotives, railroad cars and railroad rolling stock as of the date of the document or thereafter acquired by Borrower.

Enclosed please also find the \$27.00 filing fee. Please return all enclosed documents that are not needed by the Board for recordation to the person delivering the filing.

Very truly yours,



David C. Reeves
Attorney for Paducah & Louisville Railway, Inc.

JAN 16 '01 12-40 PM

**THIRD AMENDMENT TO SURFACE TRANSPORTATION BOARD
MEMORANDUM OF SECURITY AGREEMENT
RECORDED WITH THE SURFACE TRANSPORTATION BOARD
UNDER RECORDATION NO. 19540**

This THIRD AMENDMENT TO MEMORANDUM OF SECURITY AGREEMENT RECORDED WITH THE SURFACE TRANSPORTATION BOARD UNDER RECORDATION NO. 19540, effective January 12, 2001, is made by and between PADUCAH & LOUISVILLE RAILWAY, INC., whose address is 1500 Kentucky Avenue, Paducah, Kentucky 42003, as "Borrower," and BANK OF AMERICA, N.A., successor in interest to NationsBank, N.A., whose mailing address is 100 North Tryon Street, Charlotte, North Carolina 28255, as Agent for Banks and Secured Party (the "Secured Party").

WITNESSETH:

WHEREAS, Borrower and Secured Party entered into a Memorandum of Security Agreement dated as of July 21, 1995, which was filed and recorded with the Interstate Commerce Commission (predecessor to the Surface Transportation Board ("STB")), on July 25, 1995 under Recordation No. 19540;

WHEREAS, Borrower and Secured Party subsequently amended their security agreement and filed with the STB on February 19, 1999 a First Amendment To Memorandum Of Security Agreement Recorded With The Surface Transportation Board Under Recordation No. 19540 and, on August 3, 2000, a Second Amendment To Memorandum Of Security Agreement Recorded With The Surface Transportation Board Under Recordation No. 19540; and

WHEREAS, The security interest and lien set forth in the Memorandum of Security Agreement (as amended) between Borrower and Secured Party, attaches to all locomotives and

rolling stock NOW OWNED OR HEREAFTER ACQUIRED by Borrower and to all now existing and hereafter acquired interest of Borrower in locomotives and rolling stock;

NOW, THEREFORE, Borrower and Secured Party are filing this THIRD AMENDMENT TO MEMORANDUM OF SECURITY AGREEMENT RECORDED WITH THE SURFACE TRANSPORTATION BOARD UNDER RECORDATION NO. 19540, to specifically identify additional locomotives that are subject to the security interests evidenced by the Memorandum of Security Agreement and amendments thereto previously recorded with the STB under Recordation No. 19540:

1. The following locomotives are added as locomotives to which the security interests evidenced by the Memorandum of Security Agreement and amendments thereto previously recorded with the STB under Recordation No. 19540 apply:

Locomotive Type	Locomotive Number	Locomotive Type	Locomotive Number
GP 40-2	ARR 3016	GP-35	MNA 6527
GP-40	ARR 3017	GP-35	SOO 730
GP-40	ARR 3019	GP-35	SP 4160
GP-40	ARR 3020	GP-35	SP 6340
GP-35	ARR 2501	GP-35	SP 6576
GP-35	ARR 2502		
GP-40	MKCX 4302		
GP-40	MKCX 4303		
GP-35	CP 5008		
GP-35	CP 5023		

2. The security interest and lien set forth in the Security Agreement between Borrower and Secured Party, as restated as of August 2, 2000, shall continue to attach to the rolling stock set forth in Exhibit A to the Second Amendment To Memorandum Of Security Agreement Recorded With The Surface Transportation Board Under Recordation No. 19540, to the above-specified

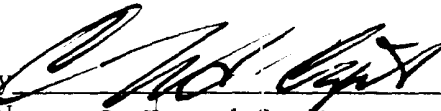
locomotives, TO ALL LOCOMOTIVES AND ROLLING STOCK NOW OWNED OR
HEREAFTER ACQUIRED by Borrower, and to all now existing and hereafter acquired interest
of Borrower in locomotives and rolling stock.

IN WITNESS WHEREOF, Borrower and Secured Party have caused this THIRD
AMENDMENT TO MEMORANDUM OF SECURITY AGREEMENT RECORDED WITH
THE SURFACE TRANSPORTATION BOARD UNDER RECORDATION NO. 19540 to be
executed by their duly authorized officers to be effective as of the date herein first set forth
above.

COMMERCIAL TRUST COMPANY OF KENTUCKY
KENTUCKY
COMMERCIAL TRUST COMPANY OF KENTUCKY
TRUST CO. OF KY

Secured Party:

BANK OF AMERICA, N.A.

By 
Name: C. Howard Capito
Title: Sr. Vice President

Attest:
(Borrower)

Borrower:

PADUCAH & LOUISVILLE RAILWAY,
INC.

(Corporate Seal)

By _____
Name:
Title:

Attest:
(Secured Party)

(Corporate Seal)

Attest:
(Borrower)

J. Thomas Seab, Secretary
(Corporate Seal)

Secured Party:

BANK OF AMERICA, N.A.

By _____
Name:
Title:

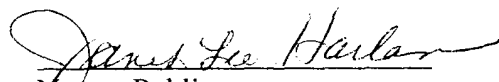
Borrower:

PADUCAH & LOUISVILLE RAILWAY,
INC.

By *Anthony W. Beck*
Name: Anthony W. Beck
Title: president & CEO

STATE OF TENNESSEE)
) SS
COUNTY OF KNOX)

On this 11th day of January, 2001, in Knox County, TN, before me personally appeared C. Howard Capito, to me personally known, who being by me duly sworn, says that [s]he is the SR. V. PRESIDENT of BANK OF AMERICA, N.A., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and [s]he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

[NOTARIAL SEAL]

My commission expires: 9-12-04

STATE OF KENTUCKY)
) SS
COUNTY OF McCRACKEN)

On this 11th day of January, 2001, in McCracken County, Kentucky, before me personally appeared Anthony V. Beck, to me personally known, who being by me duly sworn, says that [s]he is the Pres & CEO of PADUCAH & LOUISVILLE RAILWAY, INC., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and [s]he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

[NOTARIAL SEAL]

My commission expires: 05/31/04

CERTIFICATION

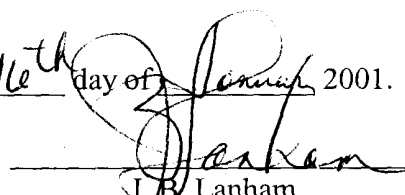
I, David C. Reeves, hereby certify that I have compared the attached copy of the Third Amendment to Memorandum of Security Agreement, effective January 12, 2001, between Bank of America, N.A., as Agent, and Paducah & Louisville Railway, Inc. with the original thereof and find the copy to be complete and identical in all respects to the original document.

I declare under penalty of perjury that the foregoing is true and correct.


David C. Reeves

District of Columbia: SS

Subscribed and Sworn to before me this 16th day of January, 2001.


J.B. Lanham
D.C. Notary

My Commission Expires: September 14, 2003.